



BASS METALS LTD

ABN 31 109 933 995

16 March 2007

The Manager Companies
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir

NOTICE TO OPTION HOLDERS

Please find following a notice that has been sent to Bass Metals Ltd's option holders.

Yours sincerely

Susan Hunter
Company Secretary



BASS METALS LTD

ABN 31 109 933 995

15 March 2007

Dear Optionholder

Bass Metals Ltd - Renounceable Rights Issue

As you are aware, you are the holder of options over ordinary shares in Bass Metals Ltd ("the Company").

The Company today announced a renounceable rights issue ("Rights Issue") to raise approximately \$4 million before costs. The funds raised from the Rights Issue will be used by the Company to provide working capital support to its Que River mining project, to maintain the current vigorous level of exploration activity - particularly to follow-up on promising results from several regional targets - and for general working capital purposes.

I am writing to advise you that as an option holder you are not entitled to participate in new issues of securities offered to shareholders. You may participate in new issues of securities offered to shareholders if your options are exercised and the shares issued before the record date for that new issue. Therefore, you cannot participate in the Rights Issue unless your options are exercised and the shares issued before the record date.

If you wish to exercise your options, please follow the instructions detailed in the terms of your options or contact the Company's Share Registry, Security Transfer Registrars Pty Ltd. The Share Registry's contact details are as follows:

Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953
Email: registrar@securitytransfer.com.au
Ph: (61 8) 9315 2333 Fax: (61 8) 9315 2233

Please note a notice of exercise is only effective when the Company has received the full amount of the exercise price in cash or cleared funds. If you wish to exercise your options and participate in the Rights Issue, I encourage you to send the completed and signed notice of exercise, together with the payment of the exercise price and the statement for the Options or the Option certificate to the Company's Share Registry as soon as possible.

On behalf of the Board I invite you to consider the exercise of your options and encourage you to participate in the Rights Issue. Bass Metals is at an exciting transitional phase in its growth and the proposed raising has been structured to provide an opportunity for participation by all shareholders.

Yours Sincerely

Mike Rosenstreich
Managing Director